(b) and (c) Do not arise.

(d) Amongst the Airlines operating passenger services to/from I ndia, apart from Acroflot, Uzbekistan Airways has deployed IL 62 Aircraft on the sector Tashkent/Delhi.

Losses in Regional Rural Banks

4658. SHR1SURENDRA LATH: Will the Minister of FINANCE be pleased lo state :

whether it is a fact that most of the Regional Rural Banks (RRBs) in the country arc nmning at loss;

if so, the reasons therefor;

whether any steps are being taken to revamp the working of the RRBs; and

if so, the details of the measures initiated therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANAND RAO V1THOBA ADSUL) : (a) to (d) During the financial year 2001-02, out of 1% Regional Rural Banks (RRBs), only 29 RRBs incurred losses. Low profitability in RRBs is due to increasing cost and decreasing spread, high non performing assets, erosion in the capital base etc Several steps have been initialed/taken lo strengthen and revitalize the RRBs which include :—

(i) Enhancement in share capital;

(ii) recapitalisation support of Rs. 1094.21 crorc to 187 RRBs;

. (iii) diversification of business portfolio and activities;

(rv) deregulation of interest rate structure.

(v) introduction of prudential norms covering asset classification and provision norms;

(\i) measures to reduce NPAs;

(vii) one time settlement scheme to improve recoveries;

(viii) rationalisation of branch net-work etc.